

REMARKS/ARGUMENTS

This Amendment is in response to the Non-Final Office Action mailed on July 31, 2006, for the present application, which has been reviewed. The present claims 1-20 considered together with the following amendments, remarks, arguments below and request for reconsideration are believed sufficient to place the application into condition for allowance. Support for the amendments of claim 1 can be found in the Specification in paragraph [0023] and Figure 3. Support for the amendment of claim 5 can be found in the Specification in paragraph [0021]. Support for the amendment of claim 10 can be found in the Specification in Figure 3. Support for the amendments of claim 20 can be found in the Specification in paragraph [0026] and Figure 3. No new matter has been added to the application. Applicants express appreciation for the thoughtful examination by the Examiner.

The present invention is a system and methods for selectively storing recorded material onto a storage medium, and a dispenser connected to the terminal configured to distribute the storage medium to a user. This invention also includes storing sales data on a server and accessibility of the sales data on the server by a third party.

ELECTIONS/RESTRICTIONS

The present Office Action neither makes final the previous restriction requirement and does not withdraw claims 10-20 as being a patentably distinct from claims 1-9 nor state these claims require serious burden to search and examine. Applicants consider the previous Restriction Requirement to be withdrawn and notes the examination of all pending claims previously presented.

Rejection of Claim 6 Under 35 U.S.C. § 112, Second Paragraph Should Be Withdrawn

The present office action states claim 6 appears to lack antecedent support. Claim 1 and dependent claim 6 have also been amended to recite dispensing said storage medium in a case.

Rejection of Claims 1, and 8-14 Under 35 U.S.C. §102 Should Be Withdrawn

The present Office Action rejects claims 1 and 8-14 under 35 U.S.C. section 102(e) as being anticipated by Ramachandran et al. (US 2001/0044747). Applicants respectfully traverse this rejection and request favorable reconsideration and withdrawal of this rejection. Further, Applicants submit this rejection is rendered moot by the foregoing amendments and the following comments.

The present Office Action recites the 35 USC 102 (b) statute, but rejects the claims under 35 USC 102 (e). Clarification of the rejection is requested. The standard for a rejection under 35 U.S.C. §102 (b) and (e) are established in MPEP §2131. A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference. If an independent claim is allowable under 35 U.S.C. §102, then any claim depending therefrom is also allowable.

In order to further the prosecution of this application, and without acquiescing to the Examiner's rejection and while reserving the right to prosecute the original claims (or similar claims) in the future, Applicants have amended claims 1, 5, 10, and 20.

Claims 1 and 8-9 are drawn to methods for selectively storing recorded material onto a storage medium, and a dispenser connected to the terminal configured to distribute the storage medium to a user. Claims 10-14 are drawn to systems for selectively storing recorded material onto a storage medium and a dispenser connected to the terminal configured to distribute the storage medium to a user.

The prior art cited does not teach a method of purchasing a customized storage medium, providing a sample of the recorded material selected that a user can listen to or view, wherein the user designs a personalized label to be affixed to the storage medium, calculate royalty amounts for a particular copyright owned, where the user is requested to select a payment type disclosed in the specification, and in particular, as disclosed in Figure 3, which is recited in the claims. Moreover, nowhere does Ramachandran et al. disclose a terminal for dispensing storage medium created by the user which includes a seat or bench to enable the user to sit comfortably as recited in claims 1, 8 and 9. Nor does Ramachandran et al. teach the systems configured in Figure 3 as recited in claims 10-14. Because each and every element is not taught in the prior art cited, this reference cannot anticipate any of claims 1 and 8-14.

In light of the foregoing, Applicants therefore believe claims 1 and 8-14 are in condition for allowance, and respectfully requests such allowance

Rejection of Claims 15, 16, and 20 Under 35 U.S.C. § 103 Should Be Withdrawn

The present action rejects claims 15, 16, and 20 under 35 U.S.C. section 103(a) as being obvious over Ramachandran et al. (US 2001/0044747) in view of Pollak (US 2003/0004833). Applicants respectfully traverse this rejection and request favorable

reconsideration and withdrawal of this rejection. Further, Applicants submit this rejection is rendered moot by the foregoing amendments and the following comments.

First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings for a system for selectively storing audio and visual recorded material and methods of purchasing a customized storage medium with the claimed specific properties. Second, there must be some reasonable expectation of success. Finally, the prior art reference must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must be both found in the prior art, and not based on applicant's disclosure. *In re Vaeck*, 947 F.2d 488, 20 USPQ2d 1438 (Fed. Cir. 1991). See MPEP 2142.

Claims 15 and 16 are drawn said systems, further limited wherein said terminal is communicatively connected to a data collection server and to internet access. Claim 20 is limited to methods of purchasing a customized storage medium as shown in Figure 3 via internet access.

Ramachandran et al. merely teaches a basic method of dispensing image files from an automated transaction machine; Ramachandran et al. does not teach the exact flow diagram for the methods of the present invention as disclosed in Figure 3. Pollak et al. does not compensate for the deficiencies cited in Ramachandran et al. Pollak et al. is drawn to transferring the chosen medium to a remote terminal such as a personal computer. In addition, the current invention of claims 15, 16 encompass dispensing said storage medium and not transferring the chosen medium to a remote terminal. It is respectfully submitted that, as taught in the specification in paragraphs 18, 20, and Figure 3 this novel invention is the first to design such a comprehensive system and methods to purchase customized storage medium.

Pollak et al. does not teach or suggest the system for storing and purchasing electronic media, comprising methods and a system for purchasing a customized storage medium, comprising the steps of: accessing a terminal, said terminal having access to at least one recorded item and including at least one storage medium; selecting at least one of said at least one recorded item; adding said selected at least one recorded item to a list; recording said at least one selected item to said storage medium; providing a sample of the recorded material selected that a user can listen to or view in said terminal on a seat or bench, wherein the user designs a personalized label to be affixed to the storage medium, calculate royalty amounts for a particular copyright owned, user is requested to select a payment type and dispensing said storage medium in a case, as illustrated and claimed in the flow diagram of Figure 3. Claims 15, 16 and 20 does not require a personal computer for purchasing a customized storage medium. Therefore there is no motivation to combine the prior art cited to achieve the claimed invention as a whole.

In light of the foregoing, Applicants therefore believe claims 15, 16 and 20 are in condition for allowance, and respectfully requests such allowance.

Rejection of Claims 3 and 4 Under 35 U.S.C. § 103 Should Be Withdrawn

The present action rejects claims 3 and 4 under 35 U.S.C. section 103(a) as being obvious over Ramachandran et al. (US 2001/0044747) in view of Parker (US 4,703,465).

Claims 3 and 4 are limited to said methods for purchasing storage medium, further comprising the steps of: designing a label and including a list on said label.

Parker merely discloses a system for producing an audio cassette tape from preselected recording requiring input processing converting analog to digital means in the specification in columns 2 and 3 and in claim 1. In contrast, the instant claimed invention does not require first and second audio converters transforming the digitized audio signal to the necessary format for

a cassette machine in a central processing unit. The instant invention is drawn to an advanced dispensing storage medium created by the user comprising at least one recorded item to a list; recording said at least one selected item to said storage medium; providing a sample of the recorded material selected that a user can listen to or view in said terminal on a seat or bench, wherein the user designs a personalized label to be affixed to the storage medium, calculate royalty amounts for a particular copyright owned. In addition, claim 20 of this invention is further drawn to internet access methods, which is not disclosed in Parker. Claim 5 is recited in the Office Action, however the claim is not rejected in the rejection header. Clarification of this rejection is requested. Therefore, Applicants have reviewed both documents and does not believe either reference individually or combined makes obvious the claimed invention.

In light of the foregoing, Applicants therefore believe claims 3 and 4 are in condition for allowance, and respectfully requests such allowance

Rejection of Claim 2 Under 35 U.S.C. § 103 Should Be Withdrawn

The present action rejects claim 2 under 35 U.S.C. section 103(a) as being obvious over Ramachandran et al. (US 2001/0044747) in view of Rosenberg (US 6,363,357).

Claim 2 is further limited to previewing said selected recorded medium.

Rosenberg et al. discloses a system for selling a digital content product interlinking merchant network servers and a broker computer wherein copies of a product is accessed by sending a product key to the buyer computer for use in decrypting the encrypted digital content. In contrast, this claimed invention is not drawn to multiple web site hosting computers linked to a broker computer. The instant system requires only one terminal and one server not requiring decrypting the encrypted digital content. Again claims 17 through 19 are cited in the Office action, but are not rejected in the Office Action. Clarification of this rejection is requested.

In light of the foregoing, Applicants therefore believe claim 2 is in condition for allowance, and respectfully requests such allowance.

Rejection of Claim 6 Under 35 U.S.C. § 103 Should Be Withdrawn

The present action rejects claim 6 under 35 U.S.C. section 103(a) as being obvious over Ramachandran et al. (US 2001/0044747) in view of Kamen et al (US 5,135,012).

Claim 6 is drawn to said methods of purchasing a customized storage medium, further limited to affixing a magnetic strip to said case.

Kamen discloses the locking in place over the base by magnetic force to seal the case containing the digital stored medium. However, in this instant invention, the magnetic strip is not used to seal the case, but solely as a label for verifying the data content on the storage media. Therefore the intended use in the methods as claimed are completely divergent from the magnetic strip taught by Kamen. There is clearly no motivation to combine these opposing references to achieve the claimed invention as a whole without the hindsight of the Examiner.

In light of the foregoing, Applicants therefore believe claim 6 is in condition for allowance, and respectfully requests such allowance

Rejection of Claim 7 Under 35 U.S.C. § 103 Should Be Withdrawn

The present action rejects claim 7 under 35 U.S.C. section 103(a) as being obvious over Ramachandran et al. (US 2001/0044747) in view of Cho (US 2004/0064374).

Claim 7 is drawn to said methods of purchasing a customized storage medium, further limited to paying a cashier.

Cho broadly teaches an internet-based system of customized media contents. However, Applicants submit that Cho teaches the use of a card to access and pay for a customized storage medium requiring an account database, which is not required in the invention limited to

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claim 7. Further, Cho does not teach or make obvious the system as taught in Figure 3 and in the limitation of claim 3.

In light of the foregoing, Applicants therefore believe claim six is in condition for allowance, and respectfully requests such allowance.

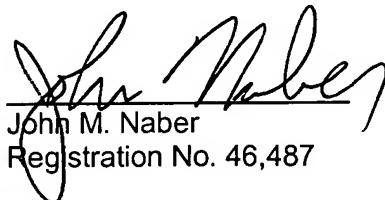
CONCLUSION

Examiner noted that the prior art of record was considered pertinent to Applicants' disclosure. Applicants have reviewed the prior art of record and submit it does not adversely bear on the patentability of the pending claims.

In light of the foregoing, Applicants respectfully submit they have addressed each and every item presented by the Examiner in this Office Action. Favorable reconsideration of all of the claims as amended is earnestly solicited. Applicants submit that the present application, with the foregoing claim and specification amendments and accompanying remarks, is in a condition for allowance and respectfully requests such allowance.

In the event any further matters requiring attention are noted by Examiner or in the event that prosecution of this Application can otherwise be advanced thereby, a telephone call to Applicants' undersigned representative at the number shown below is invited.

Respectfully submitted,



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